

# DEPARTMENT OF PUBLIC HEALTH FY 2022-24 BUDGET

February 1, 2022

# FY 2022-24 Budget Development

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## **January 18<sup>th</sup>**

- Budget Overview
- Five Year Outlook and Mayor's Budget Instructions
- Major Themes and Goals for two year budget

## **February 1<sup>st</sup>**

- Detailed proposed initiatives for FY 2022-24
- Request for Health Commission approval of proposed budget for submission

# Approach for FY 22-24 Budget

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- Leverages Revenues to Offset Increases in Expenditures – proposal requires no additional general fund support
- Balances investments between
  - ▣ Major Multi-Year Strategic Priorities
  - ▣ Department and Program Costs
- Provides a \$25 million “down payment” towards Continued COVID-19 Response and Continuity of Community Programs budget

# Revenue Initiatives

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## REVENUES

		FY 22-23		FY 23-24	
		Net GF Impact Favorable/ (Unfavorable)		Net GF Impact Favorable/ (Unfavorable)	
A1	Zuckerberg San Francisco General Baseline Revenues	\$	50,391,372	\$	50,670,823
A2	Laguna Honda Baseline Revenues	\$	5,931,548	\$	11,439,215
A3	Behavioral Health Baseline Revenues	\$	19,387,090	\$	20,687,090
A4	Population Health Revenues	\$	(1,529,197)	\$	(923,538)
A5	Improving Clinical Documentation Integrity	\$	6,054,583	\$	7,261,704
A6	CalAIM Waiver Programs	\$	4,000,000	\$	4,000,000
<b>TOTAL REVENUES</b>		\$	<b>84,235,396</b>	\$	<b>\$93,135,294</b>

# COVID-19 and Community Outreach Continuity

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		FY 22-23	FY 23-24
		Net GF Impact Favorable/ (Unfavorable)	Net GF Impact Favorable/ (Unfavorable)
<b>B1</b>	Continuing COVID-19 Response and Community Engagement	\$ (25,000,000)	\$ (25,000,000)

- Provides “down payment” towards Continued COVID-19 Response and Continuity of Community Programs budget while the DPH:
  - Determines a mid to long term governance structure this spring
  - Identify how to continue to leverage the partnership between the City government and community organizations, with broader ongoing efforts to improve health outcomes
  - Identify funding opportunities that may be available through the State and Federal governments.

# Behavioral Health Services Initiatives

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		FY 22-23	FY 23-24
		Net GF Impact Favorable/ (Unfavorable)	Net GF Impact Favorable/ (Unfavorable)
<b>B2</b>	Strengthen Services for Clients on Involuntary 5150 Holds	\$ (1,571,296)	\$ (1,987,404)
<b>B3</b>	Comprehensive Crisis Services for Crisis Line & Bereavement	\$ (2,814,559)	\$ (3,205,060)
<b>B4</b>	Expanding Adult and Older Adult Outpatient Care	\$ (672,271)	\$ (850,445)
<b>B5</b>	Children's Center of Excellence	\$ (564,025)	\$ (705,828)
<b>B6</b>	Residential System of Care	\$ (1,227,189)	\$ (1,551,894)
<b>B7</b>	Utilization Management	\$ (1,429,204)	\$ (1,805,601)
<b>B8</b>	Mental Health Services Act Investments	\$ -	\$ -
<b>TOTAL BEHAVIORAL HEALTH SERVICES</b>		<b>\$ (8,278,544)</b>	<b>\$ (10,106,232)</b>

# Mental Health Services Act

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- Based on 1% tax on personal income over \$1 M
- Due to revenue fluctuations and ability to roll over funds, counties manage spending over multiple years
- Recent expansion to support Substance Use Disorders
- Proposal balances continuity of existing programs, new program and one-time capital and reserve investments
- New programs for Overdose Prevention and Health Equity

<b>Initiatives</b>	<b>22-23</b>	<b>23-24</b>	<b>Total</b>
Continuity of Existing Programming	\$ 10,537,332	\$ 10,537,332	\$ 21,074,664
Overdose Response Office	\$ 2,395,130	\$ 2,953,419	\$ 5,348,549
Hope SF	\$ 801,784	\$960,000	\$ 1,761,784
TeleHealth for Birthing People	\$ 1,400,000	\$ 1,400,000	\$ 2,800,000
Culturally Congruent and Innovative Practices for Black/African American	\$ 1,353,332	\$ 1,711,870	\$ 3,065,202
Program Support Positions	\$ 795,168	\$ 1,005,987	\$ 1,801,155
Capital Improvements	\$ 12,830,000	\$0	\$ 12,830,000
Prudent Reserve	\$ 5,226,983	\$0	\$ 5,226,983
<b>Total</b>	<b>\$ 35,039,729</b>	<b>\$ 18,268,608</b>	<b>\$ 53,308,337</b>

# Detailed Budget Initiatives

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		FY 22-23	FY 23-24
		Net GF Impact Favorable/ (Unfavorable)	Net GF Impact Favorable/ (Unfavorable)
<b>DPH Operations</b>			
<b>B9</b>	Human Resources, and Health and Workforce Equity	\$ (3,828,043)	\$ (4,784,459)
<b>B10</b>	Investment in DPH Operations	\$ (5,170,250)	\$ (6,328,306)
	<b>Subtotal</b>	<b>\$ (8,998,293)</b>	<b>\$ (11,112,765)</b>
<b>Population Health</b>			
<b>B11</b>	Strengthening Population Health Infrastructure	\$ (3,695,233)	\$ (4,231,528)
<b>B12</b>	Expanding Public Health Emergency Preparedness Response	\$ (1,532,128)	\$ (2,577,891)
	<b>Subtotal</b>	<b>\$ (5,227,361)</b>	<b>\$ (6,809,419)</b>

# Detailed Budget Initiatives

		<b>FY 22-23</b>	<b>FY 23-24</b>
<b>Ambulatory Care</b>		Net GF Impact Favorable/ (Unfavorable)	Net GF Impact Favorable/ (Unfavorable)
<b>B13</b>	Re-entry Services, Buprenorphine Expansion and Quality Improvement at Jail Health	\$ (967,458)	\$ (1,224,897)
<b>B14</b>	Expansion of Dental Services	\$ -	\$ -
<b>B15</b>	Health at Home Capacity	\$ (113,571)	\$ (151,314)
<b>B16</b>	Maternal and Child Health	\$ (211,481)	\$ (377,360)
		<b>\$ (1,292,510)</b>	<b>\$ (1,738,917)</b>

# Detailed Budget Initiatives

		<b>FY 22-23</b>		<b>FY 23-24</b>	
		Net GF Impact Favorable/ (Unfavorable)		Net GF Impact Favorable/ (Unfavorable)	
<b>Laguna Honda Hospital</b>					
<b>B17</b>	Investments in Laguna Honda Care Coordination and Medical Support	\$	(1,531,791)	\$	(1,933,164)
<b>B18</b>	LHH Behavioral Health Emergency Response and Safety	\$	(690,244)	\$	(674,607)
<b>Subtotal</b>		<b>\$</b>	<b>(2,222,035)</b>	<b>\$</b>	<b>(2,607,771)</b>
<b>Zuckerberg San Francisco General</b>					
<b>B19</b>	Census and Clinical Support	\$	(1,819,926)	\$	(3,456,655)
<b>B20</b>	Specialty Pharmacy	\$	(5,950,759)	\$	1,608,189
<b>B21</b>	Implementing Impella Cardiac Support Devices	\$	1,192,279	\$	1,682,950
<b>B22</b>	ZSFG Building Safety and Security	\$	(1,979,806)	\$	(2,430,293)
<b>Subtotal</b>		<b>\$</b>	<b>(8,558,212)</b>	<b>\$</b>	<b>(2,595,809)</b>

# Other Costs Not Affecting GFS

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		<b>FY 22-23</b>		<b>FY 23-24</b>
		Net GF Impact Favorable/ (Unfavorable)		Net GF Impact Favorable/ (Unfavorable)
<b>C1</b>	Pharmacy and Other Inflationary Costs	\$	-	\$ (10,256,502)
<b>C2</b>	UC Affiliation Agreement Costs	\$	-	\$ (12,081,303)
<b>C3</b>	Adjustments to Office of Managed Care Revenues	\$ (20,530,000)	\$	\$ (20,530,000)

# Summary of Proposed Initiatives

DPH Budget Proposal	FY 22-23	FY 23-24	Two-Year Total
<b>Revenue</b>	\$ 84,235,396	\$ 93,135,294	\$ 177,370,690
Less Revenue Growth Assumed in Citywide Projection	\$ (19,670,677)	\$ (37,877,777)	\$ (57,548,454)
<b>Total Revenues Available</b>	<b>\$ 64,564,720</b>	<b>\$ 55,257,517</b>	<b>\$ 119,822,236</b>
<b>Emerging Needs</b>			
Continuity of COVID and Community Services	\$ (25,000,000)	\$ (25,000,000)	\$ (50,000,000)
Behavioral Health Services	\$ (8,278,544)	\$ (10,106,232)	\$ (18,384,776)
DPH Operating Program Initiatives			
Population Health Division	\$ (4,773,918)	\$ (6,809,419)	\$ (11,583,337)
SFHN and Ambulatory Care	\$ (1,292,510)	\$ (1,738,917)	\$ (3,031,427)
DPH Operations	\$ (8,998,293)	\$ (11,112,765)	\$ (20,111,058)
Zuckerberg San Francisco General	\$ (8,558,212)	\$ (2,595,809)	\$ (11,154,022)
Laguna Honda Hospital	\$ (2,222,035)	\$ (2,607,771)	\$ (4,829,806)
Subtotal DPH Program and Operations	\$ (25,844,968)	\$ (24,864,681)	\$ (50,709,650)
<b>Total Emerging Needs</b>	<b>\$ (59,123,512)</b>	<b>\$ (59,970,913)</b>	<b>\$ (119,094,426)</b>
<b>Remaining Surplus/(Deficit)</b>	<b>\$ 5,441,207</b>	<b>\$ (4,713,396)</b>	<b>\$ 727,811</b>

# Next Steps

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- February 14<sup>th</sup>: Submission to Controller and Mayor's Office
- March – May:
  - ▣ Develop COVID-19 Continuity Plan
  - ▣ Update Proposition C Spending Plan for Behavioral Health Services for People Experience Homelessness
- June 1: Mayor's Proposed Budget
- June – July: Board Review of Budget